

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., <i>et al.</i>, Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (KJC)
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**FEE AUDITOR'S FINAL REPORT REGARDING THE ONE HUNDRED
FORTY-SECOND MONTHLY APPLICATION AND THE FINAL
APPLICATION OF BMC GROUP FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM APRIL 4, 2002 THROUGH FEBRUARY 3, 2014**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the One Hundred Forty-Second Monthly Application and the Final Application of BMC Group for Compensation for Services Rendered and Reimbursement of Expenses for the Period from April 4, 2002 through February 3, 2014 (the “Applications”).

BACKGROUND

1. BMC Group (“BMC”) was retained as Claims Reconciliation and Solicitation Consultant to the Debtors. In the Applications, BMC seeks approval of fees and expenses as follows: fees totaling \$95,871.50 and expenses totaling \$8,624.58 for its services from January 1, 2014 through February 3, 2014 (the “One Hundred Forty-Second Monthly Application), and final

approval of fees totaling \$9,292,715.50¹ and expenses totaling \$834,264.36² for its services from April 4, 2002 through February 3, 2014 (the “Final Application Period”).

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Applications in their entirety, including each of the time and expense entries included in the exhibits to the Applications, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We emailed an inquiry to BMC based upon our review, and we received a response from BMC, portions of which response are quoted herein.

DISCUSSION

One Hundred Forty-Second Monthly Application

¹We note that the total of the fees requested in BMC’s 45 prior fee applications, plus the compensation sought in the One Hundred Forty-Second Monthly Application, is \$9,290,356.25. It does not appear that BMC has deducted from this amount any of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 6, to arrive at the figure it seeks of \$9,292,715.50. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

²We note that the total of the expenses requested in BMC’s 45 prior fee applications, plus the expenses sought in the One Hundred Forty-Second Monthly Application, is \$836,955.67. It appears that BMC has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 6, to arrive at the figure it seeks of \$834,264.36. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

3. We have no issues with, or objections to, BMC's One Hundred Forty-Second Monthly Application.

4. Thus, we recommend approval of \$95,871.50 in fees and \$8,624.58 in expenses for BMC's One Hundred Forty-Second Monthly Application.

Final Application Period

5. We noted that BMC had requested final approval of fees totaling \$9,292,715.50, however, we calculated BMC's final fees at \$9,263,172.09, for a difference of \$29,543.41. We noted that BMC had requested final approval of expenses totaling \$834,264.36, however, we calculated BMC's final expenses at \$835,934.37, for a difference of \$1,670.01. We provided our calculations to BMC, and BMC responded:

We have reviewed the spreadsheet you provided and have ascertained that the difference between the amounts of the fees and expenses are related to the reduction in the fees and expenses that were applied during the case. The amounts requested in the final fee application were generated from the historical fee app data in our billing systems, while the reductions are recorded as credits in BMC's accounting system – which is a separate system. Our billing system does not allow for allocating itemized reductions for billing entries; consequently the differences in the credits applied for the fees and expense amounts were still reflected in the final numbers.

...[W]e agree with your numbers...

We appreciate BMC's response and recommend that BMC's final fee request be decreased by \$29,543.41 and its final expense request be increased by \$1,670.01.³

Prior Interim Applications

6. We note that we previously filed the following final reports for each of BMC's prior

³We would ordinarily not recommend approval of amounts in addition to those requested by the applicant. However, we note that the additional expenses which we have recommended have been previously approved by the Court. Thus, provided the Court and the U.S. Trustee have no objection, we recommend final approval of these additional expenses.

interim applications, which final reports we incorporate by reference herein, and we also note the following orders that ruled on BMC's prior interim fee applications:

7th Period: Fee Auditor's Final Report Regarding Fee Application of Bankruptcy Management Corporation for the Seventh Interim Period (Docket #3662), filed on or about April 14, 2003, in which we recommended approval of fees totaling \$451,915.50 and expenses totaling \$29,925.03, reflecting our recommended reduction of \$44.80 in expenses, as further explained in paragraph 10 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Seventh Period, dated July 28, 2003 (Docket #4157).

8th Period: Fee Auditor's Final Report Regarding Fee Application of Bankruptcy Management Corporation for the Eighth Interim Period (Docket #4322), filed on or about August 25, 2003, in which we recommended approval of fees totaling \$229,061.75 and expenses totaling \$9,863.94, reflecting our recommended reductions of \$438.50 in fees and \$64.37 in expenses, as further explained in paragraphs 4, 6 and 7 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eighth Period, dated September 22, 2003 (Docket #4480).

9th Period: Fee Auditor's Final Report Regarding Fee Application of Bankruptcy Management Corporation for the Ninth Interim Period (Docket #4572), filed on or about October 13, 2003, in which we recommended approval of fees

totaling \$354,035.00 and expenses totaling \$15,480.10. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Ninth Period, dated December 15, 2003 (Docket #4827).

10th Period: Fee Auditor's Final Report Regarding Fee Application of Bankruptcy Management Corporation for the Tenth Interim Period (Docket #5124), filed on or about February 18, 2004, in which we recommended approval of fees totaling \$260,926.00 and expenses totaling \$28,708.57. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Tenth Period, dated April 26, 2004 (Docket #5482).

11th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications With No Fee or Expense Issues for the Eleventh Interim Period (Docket #5675), filed on or about June 1, 2004, in which we recommended approval of fees totaling \$218,187.00 and expenses totaling \$3,192.28. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eleventh Period, dated June 16, 2004 (Docket #5822).

12th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twelfth Interim Period (Docket #6320), filed on or about September 3, 2004, in which we recommended approval of fees totaling \$216,671.00 and expenses totaling \$4,355.79. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twelfth Period, dated September 27, 2004 (Docket #6465).

- 13th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirteenth Interim Period (Docket #7013), filed on or about November 22, 2004, in which we recommended approval of fees totaling \$198,219.50 and expenses totaling \$9,886.76. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirteenth Period, dated January 26, 2005(Docket #7622).
- 14th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Fourteenth Interim Period (Docket #7982), filed on or about March 8, 2005, in which we recommended approval of fees totaling \$181,246.00 and expenses totaling \$5,185.65. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fourteenth Period, dated March 22, 2005(Docket #8081).
- 15th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Fifteenth Interim Period (Docket #8561), filed on or about June 6, 2005, in which we recommended approval of fees totaling \$188,359.50 and expenses totaling \$39,401.44. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifteenth Period, dated June 29, 2005 (Docket #8728).
- 16th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Sixteenth Interim Period (Docket

#9387), filed on or about September 12, 2005, in which we recommended approval of fees totaling \$188,426.00 and expenses totaling \$7,065.88.

These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Sixteenth Period, dated September 27, 2005 (Docket #9513).

17th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Seventeenth Interim Period (Docket #11168), filed on or about November 28, 2005, in which we recommended approval of fees totaling \$480,451.50 and expenses totaling \$20,855.99. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Seventeenth Period, dated December 21, 2005 (Docket #11402).

18th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Eighteenth Interim Period (Docket #12019), filed on or about March 9, 2006, in which we recommended approval of fees totaling \$1,487,812.75 and expenses totaling \$95,538.00. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eighteenth Period, dated March 27, 2006 (Docket #12121).

19th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Nineteenth Interim Period (Docket #12525), filed on or about May 25, 2006, in which we recommended

approval of fees totaling \$301,963.67 and expenses totaling \$8,781.14.

These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Nineteenth Period, dated June 16, 2006 (Docket #12660).

20th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twentieth Interim Period (Docket #13183), filed on or about September 8, 2006, in which we recommended approval of fees totaling \$177,504.41 and expenses totaling \$6,494.57. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twentieth Period, dated September 26, 2006 (Docket #13298).

21st Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-First Interim Period (Docket #13963), filed on or about December 8, 2006, in which we recommended approval of fees totaling \$181,274.25 and expenses totaling \$9,965.65. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-First Period, dated December 19, 2006 (Docket #14069).

22nd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Second Interim Period (Docket #14868), filed on or about March 15, 2007, in which we recommended approval of fees totaling \$174,070.88 and expenses totaling \$70,042.29. These

recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Second Period, dated May 3, 2007 (Docket #15494).

23rd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Third Interim Period (Docket #16037), filed on or about June 13, 2007, in which we recommended approval of fees totaling \$232,723.40 and expenses totaling \$115,034.75. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Third Period, dated June 20, 2007 (Docket #16105).

24th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Fourth Interim Period (Docket #16786), filed on or about September 10, 2007, in which we recommended approval of fees totaling \$290,682.66 and expenses totaling \$31,008.41. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Fourth Period, dated September 25, 2007 (Docket #16916).

25th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Fifth Interim Period (Docket #17542), filed on or about December 4, 2007, in which we recommended approval of fees totaling \$234,646.98 and expenses totaling \$7,151.07. These recommendations were adopted in the Order Approving Quarterly Fee

Applications for the Twenty-Fifth Period, dated December 13, 2007 (Docket #17629).

26th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Sixth Interim Period (Docket #18176), filed on or about February 29, 2008, in which we recommended approval of fees totaling \$159,041.00 and expenses totaling \$7,886.62. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Sixth Period, dated March 12, 2008 (Docket #18270).

27th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Seventh Interim Period (Docket #18887), filed on or about June 9, 2008, in which we recommended approval of fees totaling \$111,468.50 and expenses totaling \$7,317.77. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Seventh Period, dated June 23, 2008 (Docket #18989).

28th Period: Fee Auditor's Final Report Regarding Fee Application of Bankruptcy Management Corporation for the Twenty-Eighth Interim Period (Docket #19397), filed on or about August 27, 2008, in which we recommended approval of fees totaling \$70,019.40 and expenses totaling \$7,333.30, reflecting our recommended reduction of \$18,488.60 in fees, as further explained in paragraph 3 of that final report. These recommendations were adopted in the

Order Approving Quarterly Fee Applications for the Twenty-Eighth Period
dated October 1, 2008 (Docket #19663).

29th Period: Fee Auditor's Final Report Regarding Fee Application of BMC Group for the Twenty-Ninth Interim Period (Docket #20164), filed on or about December 1, 2008, in which we recommended approval of fees totaling \$90,531.50 and expenses totaling \$7,155.50, reflecting our recommended reduction of \$2,969.00 in fees, as further explained in paragraph 3 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Ninth Period dated December 17, 2008 (Docket #20283).

30th Period: Fee Auditor's Final Report Regarding Fee Application of BMC Group for the Thirtieth Interim Period (Docket #21009), filed on or about March 15, 2009, in which we recommended approval of fees totaling \$160,090.00 and expenses totaling \$14,203.22, reflecting our recommended reduction of \$720.06 in expenses, as further explained in paragraph 3 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirtieth Period, dated April 2, 2009 (Docket #21173).

31st Period: Fee Auditor's Final Report Regarding Fee Application of BMC Group for the Thirty-First Interim Period (Docket #22045), filed on or about June 10, 2009, in which we recommended approval of fees totaling \$121,278.62 and expenses totaling \$8,757.58, reflecting our recommended reduction of \$4,249.88 in fees, as further explained in paragraphs 3 and 4 of that final report. These

recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-First Period, dated July 7, 2009 (Docket #22354).

32nd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with De Minimis or No Fee or Expense Issues for the Thirty-Second Interim Period (Docket #23240), filed on or about September 15, 2009, in which we recommended approval of fees totaling \$175,217.50 and expenses totaling \$8,919.06. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Second Period, dated September 28, 2009 (Docket #23352).

33rd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Third Interim Period (Docket #23927), filed on or about December 3, 2009, in which we recommended approval of fees totaling \$512,989.00 and expenses totaling \$86,904.61. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Third Period, dated December 11, 2009 (Docket #23996).

34th Period: Fee Auditor's Final Report Regarding Interim Fee Application for BMC Group for Compensation for Services Rendered and Reimbursement of Expenses for the Thirty-Fourth Interim Period (Docket #24402), filed on or about March 4, 2010, in which we recommended approval of fees totaling \$98,364.82 and expenses totaling \$6,722.96, reflecting our recommended reductions of \$961.88 in fees and \$192.07 in expenses, as further explained in paragraphs 3, 4 and

5 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Fourth Period, dated March 19, 2010 (Docket #24470).

- 35th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with De Minimis or No Fee or Expense Issues for the Thirty-Fifth Interim Period (Docket #24856), filed on or about May 28, 2010, in which we recommended approval of fees totaling \$69,869.50 and expenses totaling \$25,274.13. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Fifth Period, dated June 7, 2010 (Docket #24917).
- 36th Period: Fee Auditor's Amended Combined Final Report For Those Applications with No Fee or Expense Issues for the Thirty-Sixth Interim Period (Docket #25384), filed on or about September 10, 2010, in which we recommended approval of fees totaling \$49,321.00 and expenses totaling \$7,968.45. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Sixth Period, dated September 13, 2010 (Docket #25397).
- 37th Period: Fee Auditor's Combined Final Report For Those Applications with No Fee or Expense Issues for the Thirty-Seventh Interim Period (Docket #25850), filed on or about December 2, 2010, in which we recommended approval of fees totaling \$87,245.50 and expenses totaling \$7,138.20. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Seventh Period, dated December 10, 2010 (Docket #25905).

- 38th Period: Fee Auditor's Combined Final Report For Those Applications with No Fee or Expense Issues for the Thirty-Eighth Interim Period (Docket #26519), filed on or about March 9, 2011, in which we recommended approval of fees totaling \$59,775.00 and expenses totaling \$7,105.69. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Eighth Period, dated March 25, 2011 (Docket #26627).
- 39th Period: Fee Auditor's Amended Combined Final Report For Those Applications with No Fee or Expense Issues for the Thirty-Ninth Interim Period (Docket #27116), filed on or about June 21, 2011, in which we recommended approval of fees totaling \$49,749.50 and expenses totaling \$6,605.70. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Ninth Period, dated June 30, 2011 (Docket #27188).
- 40th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fortieth Interim Period (Docket #27507), filed on or about August 25, 2011, in which we recommended approval of fees totaling \$87,384.50 and expenses totaling \$6,728.24. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fortieth Period, dated September 20, 2011 (Docket #27622).
- 41st Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-First Interim Period (Docket #28070), filed on or about December 2, 2011, in which

we recommended approval of fees totaling \$85,606.50 and expenses totaling \$6,546.90. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-First Period, dated December 14, 2011 (Docket #28150).

42nd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with De Minimis or No Fee or Expense Issues for the Forty-Second Interim Period (Docket #28548), filed on or about February 20, 2012, in which we recommended approval of fees totaling \$125,136.50 and expenses totaling \$6,536.14. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Second Period, dated March 23, 2012 (Docket #28705).

43rd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with De Minimis or No Fee or Expense Issues for the Forty-Third Interim Period (Docket #28900), filed on or about May 9, 2012, in which we recommended approval of fees totaling \$102,084.50 and expenses totaling \$12,935.73. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Third Period, dated June 14, 2012 (Docket #29054).

44th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with De Minimis or No Fee or Expense Issues for the Forty-Fourth Interim Period (Docket #29449), filed on or about August 13, 2012, in which we recommended approval of fees totaling \$98,962.00 and expenses totaling \$8,091.61, reflecting our recommended reduction of \$42.00 in fees, as further

explained in footnote 11 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fourth Period, dated October 19, 2012 (Docket #29746).

45th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Fifth Interim Period (Docket #29988), filed on or about December 4, 2012, in which we recommended approval of fees totaling \$116,454.00 and expenses totaling \$24,628.56. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Fifth Period, dated December 11, 2012 (Docket #30036).

46th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Sixth Interim Period (Docket #30382), filed on or about March 7, 2013, in which we recommended approval of fees totaling \$125,641.50 and expenses totaling \$5,581.96. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Sixth Period, dated March 27, 2013 (Docket #30440).

47th Period: Fee Auditor's Amended Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Seventh Interim Period (Docket #30840), filed on or about July 17, 2013, in which we recommended approval of fees totaling \$120,314.50 and expenses totaling \$4,638.38. These recommendations were adopted in the Order

Approving Quarterly Fee Applications for the Forty-Seventh Period, dated July 31, 2013 (Docket #30907).

48th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Eighth Interim Period (Docket #31080), filed on or about September 6, 2013, in which we recommended approval of fees totaling \$107,516.00 and expenses totaling \$4,766.24, reflecting our recommended reduction of \$19.50 in fees, as further explained in footnote 8 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Eighth Period, dated September 24, 2013 (Docket #31158).

49th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Forty-Ninth Interim Period (Docket #31404), filed on or about November 26, 2013, in which we recommended approval of fees totaling \$75,606.50 and expenses totaling \$4,624.76, reflecting our recommended reduction of \$15.00 in fees, as further explained in footnote 20 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Ninth Period, dated December 17, 2013 (Docket #31482).

50th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Fiftieth Interim Period (Docket #31838), filed on or about March 11, 2014, in which we recommended approval of fees totaling \$118,633.00 and expenses totaling \$4,646.72. These

recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fiftieth Period, dated March 31, 2014 (Docket #31963).

51st Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with De Minimis or No Fee or Expense Issues for the Fifty-First Interim Application Period (Docket #32197), filed on or about May 13, 2014, in which we recommended approval of fees totaling \$140,822.50 and expenses totaling \$10,354.42. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifty-First Period, dated May 23, 2014 (Docket #32216).

7. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods, except for the Eighteenth Interim Period. In the order submitted to the Court for that period, BMC's approved expenses were listed as \$95,538.00, however, the correct amount of approved expenses was \$95,538.03, for a difference of \$0.03. No further adjustment to BMC's final expense award is necessary because this \$0.03 correction is reflected in the \$1,670.01 expense increase which we recommended in paragraph 5.

CONCLUSION

8. Thus, we recommend final approval of \$9,263,172.09 in fees (\$9,292,715.50⁴ minus

⁴We note that the total of the fees requested in BMC's 45 prior fee applications, plus the compensation sought in the One Hundred Forty-Second Monthly Application, is \$9,290,356.25. It does not appear that BMC has deducted from this amount any of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 6, to arrive at the figure it seeks of \$9,292,715.50. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

\$29,543.41)⁵ and \$835,934.37 in expenses (\$834,264.36⁶ plus \$1,670.01)⁷ for BMC's services for the Final Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.



By: _____
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FEE AUDITOR

⁵This is the amount of our recommended reduction to correct BMC's final fee request. *See* paragraph 5.

⁶We note that the total of the expenses requested in BMC's 45 prior fee applications, plus the expenses sought in the One Hundred Forty-Second Monthly Application, is \$836,955.67. It appears that BMC has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 6, to arrive at the figure it seeks of \$834,264.36. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

⁷This is the amount of our recommended increase to correct BMC's final expense request. *See* paragraph 5.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 29th day of July, 2014.

A handwritten signature in blue ink, appearing to read "W. H. Smith", is positioned above a horizontal line.

Warren H. Smith

SERVICE LIST

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